



UNITED STATES TRAVEL AND TOURISM ADVISORY BOARD

June 1, 2015

The Honorable Penny Pritzker
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Secretary Pritzker:

It has been our pleasure to lead the United States Travel and Tourism Advisory Board (TTAB) this term.

We have been fortunate to have your steadfast championship of our industry, repeatedly demonstrated not only in your speeches but in your actions. Under your leadership Madam Secretary, the travel and tourism industry has truly achieved an elevated status throughout the United States Government. Today, our major contributions to exports, to GDP, to jobs and to the vitality of our national life are far better understood than at any time in history. This status is reflected in some remarkable accomplishments, including the reauthorization of Brand USA, the dramatic reduction in visa wait times at our embassies and consulates throughout the world, the historic agreement with China for reciprocal ten year tourist visa validity, and the rapid expansion of risk based security programs.

We are mindful that these accomplishments were at one point priority recommendations from our board to you and your predecessors; it has been exhilarating to see you take them forward and use your position in the Cabinet, at the Tourism Policy Council and of course as Secretary of Commerce to adopt them as Administration priorities. Our gratitude to you is enormous for infusing our work with purpose and possibility and for achieving major results through our extraordinary public-private partnership.

As you know, the TTAB is composed of [thirty two] highly-motivated individuals who have been most generous with their time and ideas for improving national travel and tourism policy. In their respective and diverse areas of expertise, they have strong convictions about what initiatives would make our industry soar. As the leaders of the TTAB, it's our view that all of the recommendations we have brought forward from our subcommittees should be carefully considered, and where possible, implemented.

At the same time, we are ever-mindful of your sensible and oft-repeated charge to us to prioritize our recommendations and to concentrate on those that can be accomplished during your term. In that spirit, since our last board meeting with you, we have focused on doing just that. We have put our board's recommendations through three filters designed to extract what is truly at the top of

the list for us and what we believe you and the Administration should focus on in the time remaining.

First, we have asked our subcommittees to prioritize their 40 previous recommendations. As a result of this first filtering, we were left with 12 discrete recommendations. These have been captured within the document attached to this letter for your review. And second, we asked all the members of the TTAB to choose their top recommendations among these 12, regardless of the subcommittees on which they serve. We have tallied the results, and five recommendations have now emerged as the consensus priorities of the TTAB. Those five recommendations are offered and explained below. What's more, a third filtering of these five recommendations (and indeed all of our TTAB work) yielded one guiding priority principle: **the key to achieving the President's goal of welcoming 100 million visitors per year by 2021 is to focus on improving the customer experience for international travelers.** The United States is locked in a major global competition for the business of international visitors, and rival nations have dramatically stepped up their game. At \$4500 of spending per international visitor, the stakes are high. Adding 25 million yearly visitors to today's 75 million would yield an astonishing \$112.5 billion of yearly incremental spending to our economy. To achieve this laudable goal, we need to put policies in place -- with urgency -- designed to ensure that the customer experience international travelers receive is consistently welcoming and world class during every stage of their trips to the United States.

With this in mind, and in no particular order, here are our top five TTAB priorities:

1. **Implement and refine airport-specific action plans related to entry.** The action plans at 17 of the largest U.S. airports are where the rubber hits the road for improving the arrivals process for international travelers and ensuring the "best-in-class" experience contemplated by the President's recently announced National Goal. These action plans are, in effect, the natural evolution of the Model Ports mandate as originally established by Congress and fully endorsed by the Administration. Each action plan is engineered to ensure that security remains a top priority while allowing the nuances of each specific port and its particular stakeholder needs to influence the flow and treatment of the travelling public. These action plans are intended to encourage local collaboration on technology, signage, queuing control, aesthetics and workspace. There are abundant resources that airports can rely upon, in particular partnership with local state and city tourism boards as well Brand USA to "Market the Welcome" to arriving guests. We recommend that a senior official within the Department of Homeland Security (DHS) be identified to monitor implementation of the action plans throughout the nation to ensure compliance, accountability and transparency. Our goal is to make travel to and through our gateways a memorable and pleasant customer experience.
2. **Expand trusted traveler programs to more partner countries.** Customs and Border Protection's successful Trusted Traveler Programs (Global Entry, NEXUS, and SENTRI) have led to constructive reciprocal agreements between US and foreign countries and have been an immediate and effective way to more efficiently move low risk international travelers through ports of entry. Using pre-collected data to verify the identity and security risk of a known traveler, CBP has been able to use technology to streamline a system that historically has been labor intensive. We must continue expanding international participation while ensuring the utmost confidence in security. While we recognize the inherent challenges, including the varying degrees of receptivity of various parties, we recommend an aspirational goal that DHS, over the next 18 months, establish additional reciprocal

agreements with foreign governments. Based on our market experience, we believe that certain countries within Latin America may prove to be the next fertile ground for expansion. We stand ready to assist DHS in any way possible to facilitate those conversations utilizing our contacts within the international business and traveling community. Trusted traveler programs can virtually extinguish wait times without sacrificing security; a trusted traveler is likely to be a happy traveler.

3. **Integrate Travel and Tourism into Infrastructure Planning.** We recommend fully integrating travel and tourism into the U.S. Department of Transportation's 30 year framework. Infrastructure improvements are foundational to moving visitors smoothly and efficiently to and throughout our country. If our airports and roads are not competitive, we will lose visitors to other destinations that are making shrewd, forward-thinking investments and doing so with tourism top of mind. DOT's framework, titled [Beyond Traffic 2045, Trends and Choices](#), launches an opportune national conversation about future transportation needs, resources and decisions; however, travel and tourism is currently a tangential rather than a central concern of the report. In order to maintain and expand our global position as a top tourism destination, the United States requires substantial infrastructure improvements in order to attract and serve current and future international visitors. We recognize that achieving substantial infrastructure reform will not be possible before the end of your term; however, it is quite possible and hugely desirable to begin the discussion with DOT about the central role infrastructure plays in achieving our national travel and tourism goals, including customer satisfaction, and to secure our industry's seat at the table as this discussion unfolds.
4. **Maintain World Class Visa Processing.** We recommend that the U.S. Government commit to maintaining and extending the success we have achieved in visa processing rates and show that commitment by dedicating additional staff and IT resources to ensure excellent and efficient operations in China, India and other countries that produce large numbers of international visitors to the United States. Reducing wait times from months to days has been a signature achievement of the TTAB and our ongoing public private partnership. It's vitally important to keep the momentum going for the remainder of this term and beyond. As potential visitors consider their many international travel options, the ease of obtaining a visa figures prominently in their decision making. Expanding the pool of travelers who do not require an interview while maintaining important security mandates; it will also realize far greater efficiencies than would video interviewing and can make visa processing faster and more customer-friendly.
5. **Expand and Protect the Visa Waiver Program.** We recommend supporting legislative actions, including the JOLT Act, which would enable additional countries to meet the security and information sharing requirements necessary to enter into the Visa Waiver Program (VWP). Misunderstandings (or intentional misstatements) about the security features of the VWP could undermine its continued viability at a time when it is most needed. The quality of our visa and visa waiver programs will ultimately send the message to international travelers that we either want their business or that we are indifferent to it. We simply cannot afford to deliver the latter message. The Visa Waiver Program is a proven method of attracting international visitors; in 2014, 59% of our overseas visitors arrived in the United States using this program.

Once again, thank you for the opportunity to provide these priority recommendations. We hope they will give you TTAB's views on the issues that matter most to our industry and what

can be done to make a timely difference in achieving success. Of course, we fully recognize that you do not have direct responsibility over the action items that fall under the purview of other agencies. We are nevertheless confident that your personal engagement and creative use of your office and the Tourism Policy Council to spur action and accountability on the part of DHS, State and DOT on these matters will bring meaningful results. Your track record justifies our confidence.

We also urge you to take note of all the prioritized recommendations that have come out of each TTAB subcommittee, as presented in the attachment, as many are also vitally important and can be productively acted upon during your term. Implementing these recommendations will take us far toward improving the customer experience for international travelers, promoting our national treasures and culture, and realizing our mutual goal of dramatically increased visitation to the United States.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "S. Gilliland".

Sam Gilliland
Chair

A handwritten signature in black ink, appearing to read "Kathleen Matthews".

Kathleen Matthews
Vice Chair

ADDENDUM:

Top 12 Current Priorities of the U.S. Travel and Tourism Board, by Subcommittee

Cultural and Natural Heritage

Establish a domestic tourism dashboard:

Aggregate and facilitate the dissemination of data to ensure continual progress as well as continual dialogue on domestic tourism growth and development in the next two years.

Champion increased funding levels for the programs of other federal agencies that support cultural destination content:

These include the programs of the National Endowment for the Arts, the National Endowment for the Humanities, and the Office of Museum Services within the Institute of Museum and Library Services, all of which will support the content that increases demand for visitation to and in our country. We recommend that the NEA and the NEH be funded at \$161 million (currently at \$146 million) and the Office of Museum Services at \$38 million (currently at \$30 million).

Advocate for, cosponsor, and support a national gathering of government and business leaders during 2016, the year of the National Park Service Centennial:

This would foster critical dialogue between government and business leaders on how protecting and preserving our public lands and increasing visitor as well as business opportunities can be complementary activities. The event would bring 200 to 400 or so leaders in public land management and travel and tourism businesses together in a meeting structure largely funded through corporate sponsorships and participant fees and at little cost, if any, to the government.

Data and Research

Increase SIAT sample size:

The Board's long term objective is to increase the SIAT sample to represent 1% of international travelers, as stipulated in the 2010 Tourism Promotion Act. The sample currently stands at about 0.2%. Since November we have learned that funds have been included in the FY 2016 budget to substantially increase SIAT sample sizes, and that it is the intention of the Department to conduct at least a portion of the proposed assessment research this fiscal year. Our Subcommittee is very encouraged by these developments. With regard to SIAT sample size and as our top priority, we ask that the proposed funds be utilized to increase the SIAT sample size to 0.5% of international travelers, and to make any other improvements in sampling, data collection and processing that are associated with the increased research effort. Noting that the SIAT sample includes both inbound (international) visitors and outbound travelers (US citizens), we would encourage that, insofar as it does not negatively impact users of the outbound data, the increased funding be dedicated to the inbound side of the SIAT data sample.

Funding for last year's suggested research priorities:

We recommend that the funds available this fiscal year should be used to conduct a scaled down version of the research that we suggested last year, in order to provide important information that will help optimize SIAT methodology and applications. Our priority research components include:

- Identifying and testing improved methods for data collection using more current instruments and methodology, taking advantage of advances in technology and Wi-Fi.
- Assessing travel data collection and reporting systems of other advanced countries, looking in particular for effective approaches to partnerships, data collection and management systems; comparing SIAT costs with those for these systems and with data collection costs

for other primary US data collection and management systems, both government and commercial.

- Investigating sources for additional SIAT funding, such as partnerships with DMOs, airports and airlines, and increased SIAT and other data sales.

Entry

Implement and Refine Airport-Specific Action Plans:

The Action Plans at 17 of the largest U.S. airports is where the rubber meets the road in terms of improving the arrivals process for international travelers and ensuring the “best-in-class” experience contemplated by the recently announced National Goal. These Action Plans are, in effect, the natural evolution of the Model Ports mandate as originally established by Congress and fully endorsed by the Administration. Each plan is engineered in a way to ensure security remains a top priority while allowing the nuances of each specific port and stakeholder needs to influence the flow and treatment of the travelling public. “Think global act local” comes to mind here as these Action Plans are intended to encourage local collaboration on technology, signage, queuing control, aesthetics and workspace. There are abundant resources that airports can rely upon, in particular partnership with local state and city tourism boards as well Brand USA to “Market the Welcome” to arriving guests. It is critical that a senior official within DHS be identified to monitor implementation of the Action Plans to ensure accountability and transparency. Relying on each individual port in the past has not worked as other priorities and day-to day-operations have gotten in the way. There needs to be a single point of contact who will be held accountable.

Refine Processing Measures Based on Effective Surveys:

Entry processing is the gateway to our country and can directly impact an international traveler’s perception of his/her U.S. experience. To achieve the expedited process and “best-in-class” experience contemplated by the President, processing goal refinements need to be determined through the measurement of the travelling public’s perceptions of their experience. While DHS has been conducting surveys at miscellaneous ports, there needs to be a greater understanding of the survey methodologies and placement techniques which impact validity of results. The Sub-committee is heartened by the establishment of a task force under TTAB to specifically address this area of study and encouraged by the aggressive datelines for recommendations. Outcome-based surveying will allow the task force and ultimately the TTAB to make additional suggestions on changes to the entry process, which in turn should directly impact guest satisfaction scores captured by CBP.

Expand the Trusted Traveler Program to more Partner Countries:

The Trusted Traveler Program establishes reciprocal agreements between US and foreign countries and has been an immediate way to more efficiently move the international traveler through ports of entry. Using pre-collected data to verify the identity and security risk of a known traveler, we have been able to use technology to streamline a system that historically has been labor intensive. We need to continue expanding international participation while insuring the utmost confidence in security remains. The Entry Sub-committee recommends that DHS, over the next 18 months, establish five additional reciprocal agreements with foreign governments. Based on our market experience, we believe that certain countries within Latin America may prove to be the next fertile ground for expansion. The TTAB stands ready to assist DHS in any way possible to facilitate those conversations utilizing our contacts within the international business and traveling community.

Infrastructure

Integrate travel and tourism into the U.S. Department of Transportation's 30 year framework:

This recommendation is inextricably tied to the Administration's goal of attracting 100 million visitors by 2021 and critical to achieving other priorities this Administration shares with the travel and tourism industry. Together we are effectively marketing travel to the United States through BrandUSA, streamlining the visa process, and improving the entry experience. But none of these goals can be fully realized without a world class infrastructure that meets the specific needs of international travelers. The US Department of Transportation's 30 year framework opens an opportune national conversation about the future transportation needs, choices, resources and decisions. In order to maintain its global position as a top destination, the United States requires substantial infrastructure improvements in order to attract international tourism, serve current and future travelers, and meet the particular needs of international travelers. Accordingly, the U.S. Travel and Tourism Advisory Board recommends that the U.S. Department of Transportation's 30 year framework contain more precise focus on improvements that need to be made to our nation's aviation system, including our airports and surface access for both passengers and freight in transit to and from airports. In addition to the critical NextGen system, investments must be made to modernize our nation's airfields, terminals, and facilities to make them safe, efficient and globally competitive. Our international visitors use every mode of transportation and expect modern and seamless connections to our aviation, rail, transit, port, and highway systems. We must focus on how international visitors arrive and move through our vast country.

Visas

Maintain the success we have achieved in visa processing rates:

We wish to first acknowledge the remarkable processing improvements that have been made at U.S. embassies and consulate offices, a core recommendation from our earlier board letters. Further, we commend the State Department's ability to accommodate the spike in demand for processing Chinese visas given the Administration's positive decision to extend validity from 1 to 10 years for business and leisure travelers and to 5 years for students. While Chinese demand for visas has increased more than 55% since the extension took effect, applicant wait times at consular posts to China remain under a week, and the time applicants spend in consular facilities in China has fallen by 13% or more. Meanwhile, in India, the private sector's other top priority for visa processing improvements, the State Department has reduced the time applicants spend in consular facilities from 2 hours to under 25 minutes. Both success stories demonstrate the extraordinary work and commitment to customer service and professionalism at the Departments of State and Homeland Security (DHS), and responsiveness to this advisory board's recommendations.

We must strongly support dedicating additional staff and IT resources to ensure excellent and efficient operations in China, India and other countries that produce large numbers of international visitors to the United States.

Support legislative actions that would enable additional countries to meet the requirements of the Visa Waiver Program (VWP):

- We would support legislation that would separate the requirement that DHS create a biometric exit system from increasing the VWP refusal rate requirement from 3 to 10 percent. The linkage of the two issues in a 2007 law led, in 2009, to the expiration of the law allowing a 10 percent refusal rate threshold, and the return to a 3 percent threshold, keeping certain, otherwise qualified, countries out of the program.
- Further, we strongly support the provisions outlined in the JOLT Act (H.R. 1401) that strengthen and expand the VWP, while mandating additional secure travel provisions that safeguard our national security.

- Additionally, we would support discreet legislation that would immediately raise the VWP refusal rate from 3 percent to 10 percent . This could potentially enable the entry of Poland -- a priority country, close ally, and strategic partner of the United States -- into the VWP, as well as other countries that meet that threshold and the other stringent requirements of the program.

Support visa validity extensions wherever possible:

We strongly encourage the Administration to continue aggressive bilateral dialogues. Visa validity extensions represent a strategy that could be implemented without legislation. Extending validity facilitates travel to the United States and reciprocally benefits Americans who travel abroad.

- The United States must continue to put diplomatic pressure on countries that refuse to comply with reciprocal agreements.